

Mental Health Funds Recovery Program (MHF3) for CMHC  
SFY 2012 (July 1, 2011 – June 30, 2012)

**SPECIAL CONDITIONS**

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1. The Contractor and the Indiana Family and Social Services Administration, Division of Mental Health and Addiction (DMHA) agree that the Contractor is responsible for performing certain administrative activities potentially eligible for reimbursement under the Mental Health Funds Recovery Program (hereinafter referred to as Program).
  2. Funding for the Program is available through Title XIX of the Social Security Act, commonly referred to as the "Medicaid Program", for certain administrative activities. Funding under the Program is available to providers who are certified as Managed Care Providers (MCPs) or Community Mental Health Centers (CMHCs) by the DMHA, subject to approval by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS).
  3. The Contractor acknowledges that the DMHA is responsible for the administration of the "Program" subject to the terms and conditions of a Memorandum of Understanding (MOU) between the DMHA and the Indiana Family and Social Services Administration, Office of Medicaid Policy and Planning (OMPP). OMPP is the Single State Agency responsible for the administration of the Medicaid Program, the approved State Plan Amendment, and the cost allocation plan. Therefore, the Contractor agrees that the "Program" is subject to the terms and conditions of the MOU, the approved State Plan Amendment, and the cost allocation plan, and any changes thereto, all of which are available for review upon request.
  4. The Contractor understands and agrees that only those administrative activities that meet the activity definitions/descriptions specified in the Time Study Activity Codes, and Cost Allocation Plan submitted by the State and approved by CMS, and subject to Office of Management and Budget (OMB) Circular A-87 and 45 CFR Parts 74 and 95, all as may be amended from time to time, shall be eligible for reimbursement under the "Program".
  5. The Contractor shall comply with applicable terms of all documents submitted by the State and approved by CMS in establishing and implementing the "Program" including, but not limited to, the Cost Allocation Plan, Time Study Training and Time Study Methodology and all applicable state and federal laws, regulations, policies and procedures, including any subsequent revisions thereto, governing reimbursement for administrative activities under the "Program". The Contractor must also comply with all applicable state and federal laws, regulations, policies and procedures, as well as governing reimbursement requirements and restrictions for administrative activities under the "Program", all as may be amended from time to time.
  6. The Contractor agrees to contract with the Mental Health Funds Recovery Program Administrator, selected by DMHA, to serve as the Contractor's fiscal agent for the Mental Health Funds Recovery program.
    - a. The DMHA and the Contractor understand and agree that under such contract the fiscal agent is authorized to submit claims and receive payments on behalf of the Contractor under the "Program" and perform all other functions necessary to seek reimbursement on Contractor's behalf under the "Program".
    - b. If the Contractor's agreement with the fiscal agent permits the fiscal agent to subcontract any part of its fiscal agent responsibilities, the Contractor agrees the

fiscal agent shall remain ultimately and fully responsible to the DMHA for all fiscal agent responsibilities.

- c. The Contractor understands that the DMHA is under no obligation to resolve any disputes between the Contractor and the fiscal agent regarding disbursement of funds, repayment obligations or any other issues that may arise under the contract between the fiscal agent and the Contractor. Contractor agrees that issues arising under the contract between Contractor and the fiscal agent shall not be presented to the DMHA for resolution.
7. The Contractor assures and will certify to the DMHA that:
- a. none of the expenditures in its claims are supported by federal funds;
  - b. there are otherwise sufficient qualifying funds available to certify the required match pursuant to 42 CFR 433.51; and
  - c. none of its claims duplicate any other federal claims for reimbursement, including claims for medical services under the Medicaid program.

The Contractor agrees to provide such certification to the fiscal agent and that the fiscal agent is responsible for collecting and verifying documentation of such certification and submitting it to the DMHA.

8. The Contractor also understands that, because the Contractor qualifies as a "State, local or public agency," that Contractor is eligible for enhanced Federal Financial Participation (FFP) pursuant to 42 CFR 433 for allowable activities under the "Program" performed by its employees who are Skilled Medical Professionals (SMPs). The Contractor shall maintain documentation including, but not limited to, documentation of its employer/employee relationship with SMPs, education, training, credentials and job classifications and job descriptions of SMPs.
9. In the event the DMHA is notified by the OMPP that FFP will not be recognized by CMS, the Contractor and the DMHA agree to the following:
- a. If the DMHA is notified by OMPP that CMS has issued a disallowance, the DMHA shall notify the Contractor's fiscal agent, by Certified Mail, within fifteen (15) calendar days of receiving such notice from OMPP that CMS has declined to accept the certification for purposes of Federal Financial Participation (FFP) eligibility or that CMS has issued a disallowance,. The fiscal agent shall be responsible for notifying the Contractor of any disallowance.
  - b. The Contractor and its fiscal agent shall provide all information requested by CMS or the OMPP to support the certification.
  - c. The Contractor shall cause its fiscal agent, within fifteen (15) calendar days after receiving notice from the DMHA that CMS has declined to accept the certification for purposes of FFP eligibility, to deliver to the DMHA improperly paid funds in the amount determined by OMPP or CMS, notwithstanding any appeals. In the event the Contractor's fiscal agent fails to make payment in full on the Contractor's behalf during the fifteen (15) day period specified, interest shall accrue at the rate of, 1% monthly (.000329 per day) and shall accrue on the total amount due from the Contractor. The DMHA is entitled to immediately begin recouping any funds due against Contractor's current or future Medicaid claims under the "Program".

10. Contractor must ensure that quarterly claims, for activities for the period beginning July 1, 2011 and ending June 30, 2012, are filed by the fiscal agent and submitted to the DMHA in accordance with the DMHA approved schedule, usually as follows:

<u>Quarter Ending</u>	<u>Submission no later than date</u>
September 2011	February 1, 2012
December 2011	May 1, 2012
March 2012	August 1, 2012
June 2012	November 1, 2012

All expenditure information necessary for claim completion shall be provided on standardized forms approved by the DMHA. If the Contractor fails to provide appropriate expenditure information to the fiscal agent within a timeframe reasonably sufficient to allow compliance with the above-specified deadlines, the Contractor forfeits all rights to reimbursement for that quarter.

11. Contractor must ensure that, as part of each claim submission, the fiscal agent provides the following records to the DMHA:
- a. State match/claim certification as specified in paragraph 7.
  - b. The amount of reimbursement paid to the Contractor, including the total amount retained by the fiscal agent as a reserve under the "Program", in a format specified by the DMHA.
  - c. The total reimbursement and percent of total reimbursement by activity code under the "Program", in a format specified by the DMHA.
12. Contractor agrees that its Contract with its fiscal agent is incorporated by reference into this attachment. Contractor agrees to cause its fiscal agent to notify the DMHA of any changes to such Contract. The DMHA reserves the right to withhold or deny payment if any changes to such Contract are contrary to the "Program" terms and conditions approved by the State or CMS.
13. The Contractor agrees to pay DMHA an amount equal to four percent (4%) of the total gross federal reimbursement received for allowable activities under the "Program. These payments shall be made quarterly upon receipt of a bill from DMHA."
14. Contractor agrees to immediately cause its fiscal agent to repay to the DMHA all reimbursement received that later becomes the subject of a disallowance, deferral or audit exception by CMS. The provisions in subparagraphs 9.a. through c. concerning provision of information to the DMHA, timing of notices, delivery of funds to the DMHA notwithstanding any appeals, and payment of accrued interest, shall also apply in case of any disallowance or audit exception arising out of issues unrelated to certification.
15. A Contractor who fails to pay the match on MRO expenditures for a specific quarter within the deadline set by DMHA will forfeit the right to participate in the next MHFRP quarterly claiming.
16. The DMHA's obligation to reimburse the Contractor under the Agreement is contingent upon the availability of qualifying funds to certify the required match pursuant to 42 CFR 433.51 and the availability of FFP. This Agreement may be terminated by DMHA immediately upon DMHA making a determination that funds are not appropriated by the U.S. Congress or otherwise not available from the federal government or the DMHA to support continuation of the "Program".

17. Contractor agrees to make available and cause its fiscal agent to make available to the DMHA and CMS, upon request, all records, including but not limited to, evidence of employment relationships with individuals performing reimbursable activities, attendance records and documentation of activities performed for individuals performing reimbursable activities under the "Program", listing of clients served, Contractor financial records, and education, training, credentials, job classifications and descriptions of SPMPs. The DMHA and CMS shall have the right to enter the Contractor's business premises to inspect and audit such records upon notification to the Contractor. The Contractor shall maintain all records related to this agreement for at least seven (7) years from the expiration or termination of this agreement.
18. Contractor agrees that its contract with the fiscal agent must require the fiscal agent to have an independent audit of the claims, and claims processes under the "Program" performed annually by an independent auditor approved by the Indiana State Board of Accounts.

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